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SEIU, Local 715

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

SERVICE EMPLOYEES INTERNATIONAL UNION, LOCAL 715,	) No. C-07-CV-05158-JF
)
Petitioner,	) DECLARATION OF BRUCE W.
	) ("RUSTY") SMITH IN SUPPORT OF
v.	) LOCAL 715'S MOTION TO COMPEL
	) ARBITRATION
)
STANFORD HOSPITAL & CLINICS and	) Date: August 29, 2008
LUCILE PACKARD CHILDREN'S	) Time: 9:00 a.m.
HOSPITAL,	) Judge: Hon. Jeremy Fogel
	) Courtroom: 3, 5 th Floor
)
Respondents.)
)
)
)

1 I, Bruce W. ("Rusty") Smith, hereby declare as follows:

2 1. I am the Trustee for Service Employees International Union, Local 715 ("Local
3 715"), appointed by the International President of the Service Employees International Union
4 ("SEIU") pursuant to his authority under the SEIU Constitution and Bylaws. I have served as the
5 Trustee of Local 715 since June 8, 2007. As the Trustee of Local 715, I am responsible for all
6 matters relating to the representation of the Local 715 members. I make this declaration upon my
7 personal knowledge, and, if called as a witness, I could competently testify to the facts hereinafter
8 stated.

9 2. At the time of the trusteeship, there were approximately 3,500 to 4,000 members of
10 Local 715. Local 715 still maintains a treasury, which I am responsible for administering. Local
11 715 continues to maintain a physical address in San Jose, sharing office space with three other
12 labor organizations.

13 3. Prior to the imposition of the trusteeship, Local 715 represented both public sector
14 and private sector employees. Among the private sector employees that Local 715 represents
15 employees at Stanford Hospital and Clinics and Lucile Packard Children's Hospital, Santa Clara
16 University, and Stanford University. To this date, Local 715 continues to represent employees
17 Stanford Hospital and Clinics and Lucile Packard Children's Hospital, Santa Clara University, and
18 Stanford University. Local 715 also has current collective bargaining agreements with each of the
19 private sector employers as well; the collective bargaining agreement between Local 715 and
20 Stanford Hospitals and Clinics and Lucile Packard Children's Hospital is set to expire in
21 November 2008. I am responsible for all matter related to representation of employees who are
22 employed by these three private sector employers. Of the three private sector employers
23 employing Local 715 members, only Stanford Hospital and Clinics and Lucile Packard Children's
24 Hospital has refused to deal with Local 715, or has taken the position that Local 715 no longer
25 exists.

26 4. On or about March 1, 2007, nearly all of the public sector employees who were
27 represented by Local 715 merged with five other Unions to create the Service Employees
28 International Union, Local 521.

1 5. Shortly after March 2007, Stanford Hospital and Clinics and Lucile Packard
 2 Children's Hospital took the position that Local 715 no longer exists, although the hospitals
 3 continue to deal with Local 715 over various issues affecting the terms and conditions of
 4 employment. In addition, Stanford Hospital and Lucile Packard Children's Hospital refused to
 5 also recognize a servicing agreement between Local 715 and its servicing agent, SEIU, United
 6 Healthcare Workers – West ("UHW"). The servicing agreement provided that while Local 715
 7 retained ultimate responsibility for the representation of employees, UHW would provide day to
 8 day service to employees regarding grievances and unfair labor practices. Local 715 also has a
 9 servicing agreement with SEIU, Local 1877, covering Local 715 members at Stanford University
 10 and Santa Clara University. Neither Stanford University nor Santa Clara University has refused to
 11 recognize the servicing agreements. A true and correct copy of the servicing agreement between
 12 Local 715 and UHW is attached as Exhibit A.

13 6. On June 4, 2007, Local 715 requested that SEIU place Local 715 into trusteeship
 14 because Stanford Hospital and Lucile Packard Children's Hospital had taken the position that
 15 Local 715 no longer existed, and refused to recognize Local 715's servicing agreement. In
 16 addition, the shift of a large majority of Local 715's public sector members to Local 521, and the
 17 resources associated with those members, made it difficult for Local 715 to carry out its collective
 18 bargaining responsibilities for its remaining members. A true and correct copy of Exhibit B is a
 19 letter from Kristina M. Sermersheim to Andrew L. Stern, dated June 4, 2007.

20 7. On June 8, 2007, SEIU President Andrew L. Stern imposed an emergency
 21 trusteeship upon Local 715, appointing me as the Trustee. A true and correct copy of the Order of
 22 Emergency Trusteeship Appointing A Trustee To Take Charge And Control of The Affairs of
 23 Service Employees International Union, Local 715, dated June 8, 2007, is attached as Exhibit C.

24 8. On or about June 18, 2007, I notified each of the private sector employers, including
 25 Stanford Hospital and Lucile Packard Children's Hospital, that I had been appointed by President
 26 Stern as the Trustee of Local 715, and that all matters relating to the representation of Local 715
 27 members employed by those employers under the Local 715 collective bargaining agreement
 28 would be handled under my direction. I also informed Stanford Hospital and Lucile Packard

1 Children's Hospital that the servicing agreement to which Local 715 was a party to with UHW
 2 would remain in full force. A true and correct copy of my June 18, 2008 letter and its attachment
 3 to Laurie Quintel, the Employee and Labor Relations Director of Stanford Hospital, is attached as
 4 Exhibit D.

5 9. Because the International President imposed an emergency trusteeship, the
 6 International Union appointed a hearing officer to determine whether the emergency trusteeship
 7 was properly implemented and should be continued. The hearing took place on July 24, 2007. A
 8 notice of the hearing was provided to all Local 715 members and former officers. I testified at the
 9 hearing on July 24, 2007.

10 10. On or about August 13, 2007, the hearing officer issued a report and
 11 recommendation, finding that the trusteeship was properly imposed and recommending that the
 12 trusteeship be "continued in order to assure Local 715's performance of its collective bargaining
 13 relationship." A true and correct copy of the hearing officer's Report and Recommendation to the
 14 International Executive Board, dated August 13, 2007, is attached as Exhibit E.

15 11. Since I have been the Trustee, there have been a number of arbitrations that Local
 16 715 has participated in involving Stanford Hospital and Clinics and Lucile Packard Children's
 17 Hospital. At each arbitration, Local 715 has been represented by the law firm of Weinberg, Roger
 18 & Rosenfeld ("WRR"), the same law firm that represented Local 715 in arbitrations prior to the
 19 imposition of the trusteeship. As the Trustee, I generally receive copies of any correspondence
 20 related to the all aspects of the representation members between Local 715 and Stanford Hospital
 21 and Clinics and Lucile Packard Children's Hospital.

22 12. In 2007, Stanford Hospital and Clinics and Lucile Packard Children's Hospital
 23 participated in an arbitration hearing with Local 715, regarding a grievance involving the
 24 termination of Joe Hayes. Local 715 filed a grievance on behalf Mr. Hayes protesting his
 25 termination. Stanford Hospital and Clinics and Lucile Packard Children's Hospital was
 26 represented by Laurence Arnold of Foley and Lardner. After the conclusion of the hearing, the
 27 parties submitted the matter and post-hearing briefs to Arbitrator David Nevins. Arbitrator Nevins
 28 issued a decision on or about October 2007 denying Local 715's grievance. Stanford Hospital and

1 Clinics and Lucile Packard Children's Hospital never challenged the existence and/or status of
 2 Local 715, nor did they challenge the fact that W. Daniel Boone of WRR represented the Union at
 3 the arbitration.

4 13. On or about October 3, 2007, Stanford Hospital and Clinics and Lucile Packard
 5 Children's Hospital participated in an arbitration hearing with Local 715, regarding a grievance
 6 involving Barbara Witherspoon. Local 715 filed a grievance on behalf of Ms. Witherspoon
 7 protesting the hospitals failure to pay her the correct level of pay. Stanford Hospital and Clinics
 8 and Lucile Packard Children's Hospital was represented by Laurence Arnold of Foley and Lardner.
 9 After the conclusion of the hearing, the parties submitted the matter to Arbitrator Thomas Angelo,
 10 who issued a decision on or about December 2007 denying Local 715's grievance. Stanford
 11 Hospital and Clinics and Lucile Packard Children's Hospital never challenged the existence and/or
 12 status of Local 715, nor did they challenge the fact that Bruce A. Harland of WRR represented the
 13 Union at the arbitration.

14 14. On or about November 28, 2007, Stanford Hospital and Clinics and Lucile Packard
 15 Children's Hospital participated in an arbitration hearing with Local 715, regarding a grievance
 16 involving Victor Acosta. Local 715 filed a grievance on behalf Mr. Acosta protesting his
 17 termination. At the hearing, Local 715 was represented by W. Daniel Boone of WRR, and
 18 Stanford Hospital and Clinics and Lucile Packard Children's Hospital was represented by Laurence
 19 Arnold of Foley and Lardner. The Arbitrator was Thomas Angelo. For the first time after the
 20 imposition of the trusteeship, the employer challenged the fact that Mr. Boone of WRR was
 21 representing Local 715. The employer refused to participate in the hearing, and the Arbitrator
 22 continued the hearing and issued a decision granting the Union's grievance.

23 15. On or about December 14, 2007, I confirmed in a letter to Laurie Quintel, the
 24 Director of Employee and Labor Relations at Stanford Hospital and Clinics, that Local 715 had
 25 authorized, and continues to authorize, WRR to represent the Union in all aspects of the arbitration
 26 process. This included the selection of arbitrators, the selection of times, dates, and locations of
 27 arbitration hearings, and the advocacy and presentation of Union grievances at the arbitration
 28 hearings. I reconfirmed that *only* WRR had been authorized, by myself as the Trustee, to represent

1 Local 715 for all arbitrations and pending grievances. A true and correct copy of my letter, dated
2 December 14, 2007, is attached as Exhibit F.

3 16. Since the Victor Acosta arbitration in November 2007, Stanford Hospital and
4 Clinics and Lucile Packard Children's Hospital has refused to select arbitrators or participate in
5 any arbitration hearings, although they do participate in the grievance meetings with Local 715
6 Shop Stewards. There are about 25 Local 715 Shop Stewards. The hospitals have also participated
7 in Labor Management Committee meetings, pursuant to the terms and conditions of the current
8 collective bargaining agreement; the committees are comprised of equal members of Local 715
9 members and management officials.

10 17. Additionally, there have been a number of unfair labor practice charges filed by
11 Local 715 against Stanford Hospital and Clinics and Lucile Packard Children's Hospital, and,
12 conversely, filed by Stanford Hospital and Clinics and Lucile Packard Children's Hospital against
13 Local 715.

14 18. In preparation of a new collective bargaining agreement, Local 715 is in the process
15 of preparing for negotiations with Stanford Hospital and Clinics and Lucile Packard Children's
16 Hospital. To this end, Local 715 members have participated in meetings to discuss bargaining
17 proposals and the Union has been collecting bargaining surveys from members to gather
18 information for proposals. I have notified the hospitals that Local 715 seeks to begin negotiations
19 for a new, successor agreement. I have yet to receive a response. A true and correct copy of my
20 letter, dated July 7, 2008, is attached at Exhibit G.

21 19. As of today's date, I have never received any communication from Stanford
22 Hospitals and Clinics and Lucile Packard Children's Hospital that it was withdrawing recognition
23 of Local 715 as the representative of employees working under the collective bargaining agreement
24 between Local 715 and the hospitals, or that the hospitals were no longer recognizing the National
25 Labor Relations certification of Local 715 as the exclusive bargaining representative of such
26 employees.

27
28 I declare under penalty of perjury under the laws of the United States of America and the

1 State of California that the foregoing is true and correct. Executed this 18th day of July 2008 in
2 San Jose, California.

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4 /s/ BRUCE W. ("RUSTY") SMITH
5 BRUCE W. ("RUSTY") SMITH
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SERVICING AGREEMENT

This **SERVICING AGREEMENT** is entered into between Local 715 ("Local 715") and SEIU UHW ("UHW").

WHEREAS, Local 715 and UHW recognize that the core jurisdiction represented by Local 715 includes public sector employees and that the core jurisdiction of UHW includes health care employees; and

WHEREAS, Local 715 and UHW recognize that the professional services provided by each organization are most highly developed in regard to their core jurisdictions; and

WHEREAS, Local 715 is the sole and exclusive collective bargaining representative for a unit of employees at the Stanford Hospital facility ("Stanford facility"); and

WHEREAS, Local 715 wishes to obtain for its members at the Stanford facility the professional services available through UHW, and UHW is willing to make its professional services available to Local 715's members at the Stanford facility; now,

THEREFORE, it is AGREED as FOLLOWS:

1. **Effective Date**

The terms of this Servicing Agreement shall become effective on March 1, 2006.

2. **Cost of Services**

For a period running concurrently with the existing collective bargaining agreement between Local 715 and the Stanford facility, UHW shall provide the professional services outlined herein at no cost to Local 715. Thereafter, if this Agreement is extended, Local 715 shall reimburse UHW for the costs of the services outlined herein from the dues and agency fees collected by UHW for each Local 715 member affected by this Agreement.

3. **Duration of Agreement**

This Servicing Agreement shall be effective on March 1, 2006 and shall remain in full force and effect until the end of the current collective bargaining agreement between Local 715 and the Stanford facility. The duration of this Servicing Agreement may be mutually extended by the parties. Additionally, this Agreement can be altered, amended, or rescinded by the mutual agreement of the parties. Either party may unilaterally terminate this Agreement by giving three months notice to the other party.

4. **Services Provided By UHW**

For the duration of this Servicing Agreement, UHW's staff, acting as designated agents of Local 715, shall provide the following professional services to Local 715 for its members at the Stanford facility:

Representation in the grievance procedure and at arbitration hearings

Representation at labor-management meetings

Assistance to members appearing before the National Labor Relations Board on behalf of the Local 715 Chapter at the Stanford facility.

5. **Oversight By Local 715**

The UHW staff member assigned to the day-to-day servicing of the Stanford facility unit will meet on a regular basis with an officer of Local 715 to review the status of representation matters within the unit. In addition, UHW will provide Local 715 with advance notice of all membership meetings and site visits and clear all correspondence with Local 715. The parties acknowledge that Local 715 has the ultimate responsibility for collective bargaining matters on behalf of the Stanford facility unit.

6. **Services Provided By Local 715**

For the duration of this Agreement, Local 715 shall continue to administer the collection of membership dues, and shall have access to, and may assist with, all membership meetings, and shall have access to all records associated with the bargaining unit.

7. **Designation of Agency Status**

Local 715 shall notify the Employer in writing of its designation of the appropriate employees of UHW to serve as the agents of Local 715 in providing services to Local 715's membership at the Stanford facility.

Should the Employer challenge or refuse to accept the legitimacy of this Servicing Agreement, the parties will cooperate in processing the legal actions necessary to its enforcement. (This may include filing an unfair labor practice charge under the name of Local 715). UHW will provide professional assistance in this process. During the pendency of this process, Local 715 will continue to provide representation and the administration of all aspects of the collective bargaining agreement through its own staff until such matter is resolved.

8. **Chapter Structure and Members' Rights**

a) Following the implementation of this Servicing Agreement, Local 715's unit at the Stanford facility shall maintain the same officers and other employee-representatives, under the same internal Chapter structure that existed prior to implementation of this Agreement;

b) Following implementation of this Servicing Agreement, Local 715 members at the Stanford facility will continue to be full members of Local 715, with the right to vote in Local 715 elections and otherwise participate in Local 715's affairs. Employees in the bargaining unit will be offered Associate Member status with UHW but shall keep whatever membership rights are accorded them under the Local 715 by-laws and the Service Employees nternational Union constitution;

c) Nothing herein shall prohibit UHW from permitting Local 715's Chapter leaders or members from the Stanford facility to participate in UHW educational functions, or appearing as guests at other UHW functions.

9. Severability

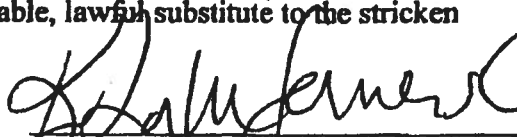
The parties hereto believe that all provisions of this Servicing Agreement comply with applicable law. However, should any position of this Agreement be found illegal by any tribunal of competent jurisdiction, this shall not affect the remainder of the Agreement. Rather, the parties shall promptly meet to negotiate an acceptable, lawful substitute to the stricken provisions.



Sal Roselli, President, UHW

2/18/06

Date



Kristy Sermersheim, Executive Secretary,
Local 715

2/20/2006

Date



www.seiu715.org

LOCAL 715

SERVICE EMPLOYEES INTERNATIONAL UNION, CLC

June 4, 2007

Andrew L. Stern, International President
Service Employees International Union
1800 Massachusetts Avenue, NW
Washington, DC 20036

RE: REQUEST FOR TRUSTEESHIP OF LOCAL 715

Dear President Stern:

As you know, Local 715 is in the process of reorganizing into Local 521 pursuant to the International Executive Board's June 2006 decision on California jurisdiction. At this point, many members of Local 715 have moved into Local 521 in accordance with this decision. However, Local 715 still retains collective bargaining responsibilities on behalf of members who have not yet been moved into the successor local union. Local 715's responsibilities include the representation of employees and Stanford Hospital and Clinics/Lucile Packard Children's Hospital.

Since May 30, 2007, the Hospital has taken the position that Local 715 no longer exists, and the Hospital is refusing to recognize Local 715's servicing agent, SEIU United Healthcare Workers – West. The shift of a large majority of Local 715 members, and resources associated with those members, to Local 521, is making it difficult for Local 715 to carry out its remaining collective bargaining responsibilities and to defend its status as collective bargaining agent. The significant decline in Local 715's membership and resources has impaired the Local's ability to operate as contemplated by the Local 715 constitution and bylaws.

In order to assure that Local 715's collective bargaining responsibilities are carried out as required, and that the Hospital does not attempt to manipulate the current situation to impair Local 715's ability to carry out those responsibilities, the officers and Executive Board of Local 715 have authorized me to request the immediate imposition of a trusteeship over Local 715 in accordance with your authority under the SEIU Constitution and Bylaws.

In Unity,

Kristina M. Sermersheim
Executive Secretary

c: Local 715 Officers and Executive Board

KMS:slw ©2007-SEIU521/CTW-CLC Requesting Trusteeship Ltr 6-4-07



**ORDER OF EMERGENCY TRUSTEESHIP
APPOINTING A TRUSTEE
TO TAKE CHARGE AND CONTROL OF THE AFFAIRS OF
SERVICE EMPLOYEES INTERNATIONAL UNION, LOCAL 715**

To: All Officers and Members of Service Employees International Union, Local 715

Pursuant to my authority under Article VIII, Sections 7(a) and (f), of the SEIU Constitution and Bylaws, I have determined that an emergency situation exists within Service Employees International Union, Local 715 (hereinafter "Local 715"), and that in order to protect the interests of the membership, the immediate appointment of a Trustee is necessary for the purpose of assuring preservation of the union's status as collective bargaining representative and its performance of collective bargaining duties and functions, and otherwise carrying out the legitimate objects of the International Union.

I have received a request from the officers and Executive Board of Local 715 requesting the imposition of the emergency trusteeship due to the difficulties the Local Union is experiencing in performing its collective bargaining duties due to the shift of members and resources to other SEIU local unions. Local 715 is in the process of reorganizing most of its members into Local 521 pursuant to the International Executive Board's June 2006 decision on California jurisdiction. At this point, many members of Local 715 have moved into Local 521 in accordance with this decision. However, Local 715 still retains collective bargaining responsibilities on behalf of members who have not yet been moved into the successor local union. Local 715's responsibilities include the representation of employees and Stanford Hospital and Clinics/Lucile Packard Children's Hospital. Pursuant to the IEB's decision, Local 715's Stanford Hospital members will be united with other SEIU healthcare members in SEIU United Healthcare Workers – West ("UHW").

Reports I have received indicate that, since May 30, 2007, the Hospital has taken the position that Local 715 no longer exists, and the Hospital is refusing to recognize Local 715's servicing agent, UHW. The Hospital's actions threaten to deprive Local 715 members at Stanford Hospital of their collectively-bargained rights. The shift of a large majority of Local 715 members, and resources associated with those members, to Local 521, is making it difficult for Local 715 to carry out its remaining collective bargaining responsibilities and to defend its status as collective bargaining agent. The significant decline in Local 715's membership and resources has impaired the Local's ability to operate as contemplated by the Local 715 constitution and bylaws.

ANDREW L. STERN
International President

ANNA BURGER
International Secretary-Treasurer

MARY KAY HENRY
Executive Vice President

GERRY HUDSON
Executive Vice President

ELISEO MEDINA
Executive Vice President

TOM WOODRUFF
Executive Vice President

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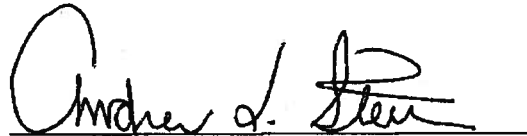
SEIU0001

From the information that I have received, including the request from the Local 715 officers and Executive Board for imposition of an emergency trusteeship over Local 715, I have determined that placing Local 715 under trusteeship is the best means of preventing disruption of contracts, assuring that the Local Union performs its duties as collective bargaining representative, protecting the interests of the membership, and otherwise carrying out the legitimate objects of the International Union. Further, I have determined that an emergency exists that justifies pre-hearing appointment of a Trustee. Therefore, in light of the situation facing Local 715 and by virtue of my authority as International President, I have this date appointed Rusty Smith as Trustee of Local 715, with all of the powers that he is entitled to assume under the SEIU Constitution and Bylaws and applicable law. The Trustee shall assume responsibility for Local 715 immediately.

The Local Union's Constitution and Bylaws are suspended for the period of the Trusteeship. By operation of this Order of Emergency Trusteeship and pursuant to my authority under Article VIII of the SEIU Constitution and Bylaws, I hereby remove all Local 715 officers, including Executive Board members, representatives and employees of Local 715. In accordance with Article VIII, Section 7(f) of the SEIU Constitution, I will request that the International Executive Board appoint a hearing officer and that a Notice of Hearing and Appointment of a Hearing Officer be issued in the very near future. Consistent with this notice, a hearing regarding the imposition of an emergency trusteeship over Local 715 will be held within the time limits set forth in Article VIII, Section 7(f).

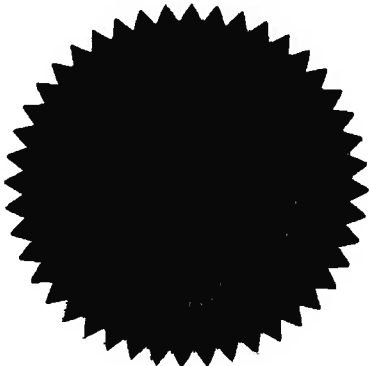
I am requesting that all members and employees of Local 715 cooperate with the Trustee in every respect. All former officers, representatives and employees of the Local Union should immediately make available to the Trustee all books, records, funds and other property of the Local Union in their possession and control.

Dated this 8th day of June, 2007.



Andrew L. Stern
International President

cc: Anna Burger, International Secretary Treasurer
Kristy Sermersheim, Executive Secretary, Local 715
Former Executive Board Members, Local 715
Rusty Smith, Trustee



SEIU0002



LOCAL 715

www.seiu715.org

SERVICE EMPLOYEES INTERNATIONAL UNION

Via Facsimile

June 18, 2007

Laurie J. Quintel, Director
Employee and Labor Relations
Stanford Hospital and Clinics
300 Pasteur Drive – M/C 5513
Stanford, CA 94305-5513

Dear Ms. Quintel:

On June 8, 2007, the International President of the Service Employees International Union ("SEIU"), CTW, CLC, Andrew L. Stern, acting pursuant to Article VIII, Section 7 of the International Union's Constitution and Bylaws and applicable federal law, took control of all operations of SEIU Local 715 ("Local 715"). A copy of the official Trusteeship Order is attached hereto.

All officers of Local 715 have been removed. President Stern appointed me as the Trustee with full authority to act on behalf of Local 715.

Effective June 8, 2007, all matters relating to the representation of the employees of your organization under the Local 715 collective bargaining agreement will be handled under my direction. We intend to fulfill all of our collective bargaining obligations, and expect no interruption in the provision of services to our members.

All servicing agreements to which Local 715 is a party will remain in full force and effect in every respect, without any change whatsoever. Accordingly, Kim Tavaglione, Jocelyn Olick, and Ella Hereth will continue to be the representative responsible for servicing your facility.

If you have any questions, please feel free to call me at 408-316-4460. Thank you.

Sincerely yours,

Bruce W. ("Rusty") Smith
International Trustee

SEIU0006

Enclosure



June 8, 2007

TO WHOM IT MAY CONCERN:

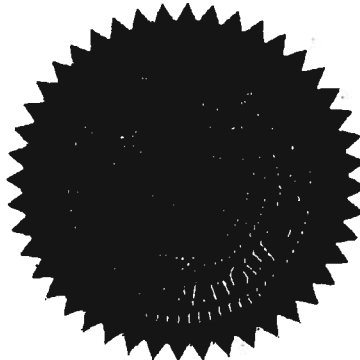
In accordance with the powers vested in me by the Constitution and Bylaws of the Service Employees International Union, CtW, CLC, I have appointed Bruce W. Smith as Trustee over the affairs of SEIU Local 715, effective immediately.

The Trustee will have charge of the affairs of the Local Union until relieved of responsibility by me.

The Trustee will be governed by the provisions of the Service Employees International Union Constitution and Bylaws and the provisions of applicable law.

Sincerely,

Andrew L. Stern
International President



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CTW, CLC

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SEIU0007

SERVICE EMPLOYEES INTERNATIONAL UNION, CTW, CLC

In the Matter of the Trusteeship)	
Imposed on Service Employees	)	Marc Earls
International Union, Local 715	)	Hearing Officer
)	

**REPORT AND RECOMMENDATION
TO THE INTERNATIONAL EXECUTIVE BOARD**

PROCEDURAL BACKGROUND

I was appointed by the International Executive Board ("IEB") of the Service Employees International Union ("SEIU" or "International Union") to serve as hearing officer on the question whether an emergency trusteeship imposed on Service Employees International Union, Local 715, was properly implemented and should be continued. On June, 8, 2007, International President Andrew L. Stern issued an order imposing a trusteeship on Local 715 (Exhibit 2). In the order, President Stern stated that he had received a request from the officers and Executive Board of Local 715 for the imposition of an emergency trusteeship over Local 715 due to grave concerns of the Local 715 leadership about the ability of Local 715 to carry out its collective bargaining responsibilities and defend its status as collective bargaining representative of employees for whom Local 715 is the collective bargaining agent. President Stern appointed Bruce W. "Rusty" Smith, former Training Director and Senior Field Representation of SEIU Local 715, as Trustee to take charge of the affairs of the local. The trusteeship was imposed effective June 8, 2007. President Stern's order and my appointment by the International Executive Board were pursuant to the provisions of Article VIII, Section 7 of the SEIU Constitution and Bylaws (Exhibit 3).

On July 12, 2007, a hearing on the trusteeship was noticed for July 24, 2007 (Exhibit 1). The notice was provided to Local 715 members and former officers. The hearing commenced at 4:30 p.m. on July 24, 2007, at the local union office in Redwood City, California, and was attended by Trustee Smith and members of Local 715. Brother Smith gave testimony and entered two exhibits into evidence. I kept the record open until July 31, 2007, for the submission of additional materials.

FINDINGS

None of the relevant facts are in dispute. In the spring of 2006, hearing officers appointed by the SEIU International Executive Board held hearings throughout California concerning local union jurisdiction, including possible merger and consolidation, for public service employees and property services workers among others. On June 9, 2006, the hearing officers issued a Joint Report and Recommendations concerning local union jurisdiction in California, which recommended extensive reorganization of SEIU local unions in California. On June 10, 2006, the International Executive Board approved the hearing officers' Joint Report and Recommendations, including the recommendation of a membership vote on the proposed changes in California members' affiliation (Exhibit 4). On August 21, 2006, President Stern directed that a vote of the affected California membership take place. The vote was held and the ballots were counted on October 6, 2006. The membership approved the reorganization plan.

Pursuant to the approved reorganization plan, public sector and publicly-funded workers in California are being reorganized into four newly-created regional public sector locals, based on geography: Local 221, for locals in the Southern Region of California, Local 521, for locals in

the Central Northern Region, Local 721, for locals in the Central Southern Region, and Local 1021, for locals in the Northern Region.

Under the reorganization plan, with a few exceptions, members of Local 715 are being reorganized into Local 521, the Central Northern regional public local. Two of the exceptions are that Local 715 members employed by Santa Clara University and Stanford University (including members in a separate bargaining unit at the power generating facility at Stanford University) are to be reorganized into a new university local, and that Local 715 members employed by El Camino Hospital and Stanford and Lucille Packard Hospitals are to be reorganized into SEIU United Healthcare Workers – West (UHW).

On January 2, 2007, SEIU chartered the new regional California public locals, and President Stern issued orders implementing the reorganization of all affected California members into their new locals. After President Stern issued the reorganization order concerning Local 715, Local 715 began the process of reorganizing its members into their respective new unions and, for the most part, the reorganization process has gone smoothly. By the late spring of 2007, a significant majority of the Local 715 membership had been successfully reorganized into Local 521. However, there are still a number of Local 715 members who have not yet been reorganized into their new local unions, including the employees of Stanford Hospital and Clinics/Lucille Packard Hospital, El Camino Hospital, Stanford University, and Santa Clara University. There are approximately 3,500-4,000 members of SEIU Local 715 in seven jurisdictions who remain members of Local 715, and the Local still maintains a treasury.

The shift of a significant percentage of the Local 715 membership to Local 521 has resulted in the shift of the resources associated with those members to Local 521, which has hampered the ability of Local 715 to continue carrying out its collective bargaining

responsibilities with regard to the remaining Local 715 members who have not yet been reorganized and to defend its status as the collective bargaining agent of these members.

In addition to the challenges posed by the shift in resources, the process of reorganizing the remaining Local 715 members into their new unions has been openly thwarted and undermined by at least one employer. Since May 30, 2007, Stanford Hospital and Clinics has taken the position that Local 715 no longer exists, it has refused to recognize UHW as Local 715's servicing agent, and it has prevented UHW staff from having access to Local 715 members on Hospital premises, making it exceedingly difficult for UHW to service these members, as it is obligated to do under the servicing agreement between Local 715 and UHW. The evidence establishes that Stanford Hospital is manipulating the transition period to thwart Local 715's status as collective bargaining agent, thereby threatening the collectively-bargained rights of Local 715 members at Stanford Hospital and Clinics.

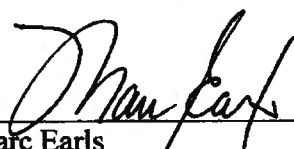
Based on the factors detailed above, on June 4, 2007, Kristina M. Sermersheim, Executive Secretary of Local 715, acting on behalf of the officers and Board of Directors of Local 715, and upon a unanimous vote of the Local 715 Executive Board, requested that President Stern impose an emergency trusteeship on Local 715 (Exhibit 5). President Stern granted Local 715's request and placed Local 715 into trusteeship on June 8, 2007.

RECOMMENDATION

It is plain that the trusteeship imposed by President Stern over Local 715 was properly imposed. The Local continues to have collective bargaining responsibilities and must continue to manage its resources, even as members and resources are shifted to other SEIU local unions. The Local was having serious difficulty protecting the collectively bargained rights of its

remaining members given its dwindling membership base and the concerted efforts of one key employer to undermine Local 715 status as collective bargaining agent. Accordingly, I recommend that the trusteeship be continued in order to assure Local 715's performance of its collective bargaining responsibilities. The approximately 4,000 remaining Local 715 members deserve full representation during this transition process. The trustee should do his utmost to assure the reorganization of remaining Local 715 members pursuant to the IEB's June 2006 reorganization decision, in a manner that protects the collectively bargained rights of these members.

Respectfully submitted,



Marc Earls
Hearing Officer

Dated: August 13, 2007

LOCAL 715



www.seiu715.org

LOCAL 715

SERVICE EMPLOYEES INTERNATIONAL UNION

Certified

December 14, 2007

Laurie Quintel, Director
Employee and Labor Relations
Stanford Hospital and Clinics
300 Pasteur Drive – M/C 5513
Stanford, CA 94305-5513

Dear Ms. Quintel:

Stanford Hospital and Clinics and Lucile Packard Children's Hospital and Clinics and Lucile Packard Children's Hospital and SEIU, Local 715 are parties to a collective bargaining agreement, effective January 20, 2006 through November 4, 2008. I am the authorized Trustee of SEIU, Local 715 officially appointed by the Service Employees International Union.

As the Trustee of SEIU, Local 715, I confirm that SEIU, Local 715 authorizes the law firm of Weinberg, Roger & Rosenfeld to represent the Union all aspects of the arbitration process. This includes, but is not limited to, the selection of arbitrators, the selection of times, dates, and locations of arbitration hearings, and the advocacy and presentation of Union grievances at the arbitration hearings.

Only Weinberg, Roger and Rosenfeld has been authorized to represent SEIU, Local 715 for all arbitrations conducted in 2007, and going forward, and for all pending grievances. Please instruct your attorneys not to communicate with any law firm on these matters other than Weinberg, Roger and Rosenfeld.

Sincerely,

B.W. (Rusty) Smith
International Trustee, SEIU Local 715

c: Myriam Escamilla
Bruce Harland

RS:kw ©2007-SEIU521/CTW-CLC Laurie Quintel Ltr 12-14-07

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LOCAL 715

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SERVICE EMPLOYEES INTERNATIONAL UNION, AFL-CIO/CLC

CERTIFIED MAIL: 7005 1160 0001 9756 9054

July 7, 2008

Laurie Quintel, Director
Employee and Labor Relations
Stanford Hospital and Clinics
300 Pasteur Drive – M/C 5513
Stanford, CA 94305-5513

Dear Ms. Quintel:

This is to inform you that Local 715 wishes to amend its current contract with Stanford Hospital and Clinics. We would like to begin contract negotiations during the month of August. Please provide us with the names of your team and multiple dates that you will be available to bargain after August 11, 2008.

When you provide us with dates for bargaining, we will provide you with our bargaining team information. Please respond no later than July 28, 2008.

Sincerely,

B.W. (Rusty) Smith
International Trustee, Local 715

c: Myriam Escamilla
Bruce Harland

RS:070708:0208-01-000000 SEIU521/CTW-CLC Intent to Bargain Ltr 7-7-08